

Clyde Township  
2023 Poverty Exemption Policy, Guidelines and Asset Test  
Resolution 2023- (

**Whereas**, MCL 211.7u requires local units to annually adopt a policy, including an income and asset test to be used to approve or deny poverty exemption applications.

**Whereas**, the principal residence of persons, who the Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

**Whereas**, pursuant to PA 390 of 1994, the Township of Clyde, St. Clair County adopts the following guidelines for the Board of Review to implement, the guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, filed in the current and immediately preceding year;

To be eligible;

1. All applicants must submit a copy of the Federal Income Tax Return (1040 or 1040A), State Income Tax Return (MI-1040), and Homestead Tax Credit (MI-1040CR-4) filed in the immediately preceding year or in the current year for all persons living in the homestead. If applicant(s) is not required to file a Federal or State Income Tax return, they must complete and file an Income Tax Exemption Affidavit.
2. All applicants must fill out an "Application for Hardship Exemption" in its entirety.
3. All applicants must be the owner and resident of the property in which tax relief is filed on. They must provide a driver's license or other acceptable method of identification, if requested. They must also provide a deed, land contract, or other evidence of ownership if requested by the Board of Review.
4. Applicant must meet the annually adjusted "Federal Poverty Exemption Guidelines" or alternative guidelines adopted by the Township Board of Trustees. (attached)
5. All Financial Institution balances will be taken into account. The Board will also consider stocks, bonds, life insurance policies, other real estate owned, vehicles, interest income and any additional assets.
6. Gifts and contributions by all persons whether living in the household or not will be taken into consideration for the purposes of establishing exemption eligibility.
7. Non cash benefits such as Medicaid, WIC, food stamps and school lunches shall be considered as household income for purposes of establishing exemption eligibility.

8. The Board of Review shall follow the guidelines of the local assessing unit in granting or denying an exemption.

9. In accordance with PA 390 of 1994, the Applicant must meet the "Asset Guidelines" adopted by the Board of Trustees. (attached).

10. A person who files for a poverty exemption is not prohibited from also filing an appeal on the assessment and/or taxable value.

APPLICANT: Your application for poverty exemption **will be denied** if:

1. Your Application for Tax Exemption is not filled out completely or includes inaccurate information.

2. Applicant does not otherwise meet the asset levels set by the local governing body.

3. Total Household Income exceeds eligibility guidelines as adopted by the Township Board of Trustees.

2023 INCOME GUIDELINES FOR REQUESTING  
CONSIDERATION FOR POVERTY EXEMPTION

\$ 13,590	for individuals
\$ 18,310	for a family of 2
\$ 23,030	for a family of 3
\$ 27,750	for a family of 4
\$ 32,470	for a family of 5
\$ 37,190	for a family of 6
\$ 41,910	for a family of 7
\$ 46,630	for a family of 8
\$ 4,720	ea. additional person

A partial exemption of 50% may be granted based on an income level of 15% above the adopted guidelines, and compliance with the asset level test as follows:

\$ 15,629	for individuals
\$ 21,057	for a family of 2
\$ 26,485	for a family of 3
\$ 31,913	for a family of 4
\$ 37,341	for a family of 5
\$ 42,769	for a family of 6
\$ 48,197	for a family of 7
\$ 53,625	for a family of 8
\$ 5,428	ea. additional person

A partial exemption of 25% may be granted based on an income level of 20% above the adopted guidelines, and compliance with the asset level test as follows:

\$ 16,308	for individuals
\$ 21,972	for a family of 2
\$ 27,636	for a family of 3
\$ 33,300	for a family of 4
\$ 38,964	for a family of 5
\$ 44,628	for a family of 6
\$ 50,292	for a family of 7
\$ 55,956	for a family of 8
\$ 5,664	ea. additional person

Income shall include, but not limited to, the specific income for the person claiming the exemption, and also anyone living in the principal residence.

Income Includes:

- Money, wages and salaries before any deductions.
- Net receipts from non-farm self-employment
- Net receipts from farm self-employment (the same provisions as above for self-employment).
- Losses from businesses, rentals and royalties and net operating losses which are no longer allowable deductions to household income according to the State of Michigan.

- Regular Payments for social security, railroad retirement, unemployment, worker's compensation, veteran's payments and public assistance.
- Alimony, child support, and military family allotments.
- Private pensions, government pensions, and regular insurance or annuity payments.
- College or university fellowships, and assistantships.
- Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.
- Tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments, and State and/or Federal non-cash benefits programs such as Medicare, Medicaid, food stamps, and school lunches.

**Clyde Township**  
**Asset Guidelines Used in the Determination**  
**of Poverty Exemptions for 2023.**

As required by PA 390 of 1994, all guidelines for poverty exemptions as established by the governing body of the local assessing unit **SHALL** also include an asset level test. The following asset test shall apply to all applications for poverty exemption.

- The applicant shall not have “**liquid**” assets (excluding the value of the principal residence subject to the exemption request) in excess of **two** (2) times the amount of the estimated tax obligation of the current assessment.
  
- The applicant shall not have **total** assets (excluding the value of the principal residence subject to the exemption request) in excess of **ten** (10) times the amount of the estimated tax obligation of the current assessment.

All asset information, as requested in the Application for Poverty Exemption must be completed in total. The Board of Review may request additional information and verification of assets if they determine it to be necessary and may reject any application if the assets are not properly identified.

Liquid Assets may include but are not limited to:

- Bank accounts
- Stocks and Bonds
- IRA’s and other investment accounts
- Pensions
- Money received from the sale of property such as stocks, bonds, a house or a car unless a person is in the specific business of selling such property.

In addition, total assets may also include but are not limited to:

- A second home
- Excess or vacant land
- Rental property
- Extraordinary automobiles
- Recreational vehicles\*
- Buildings other than the residence
- Equipment
- Other personal property of value
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.

*\* Recreational vehicles include snowmobiles, boats, camping trailers, travel trailers, motor homes, jet skis, motor cycles, off road vehicles, or anything else which may be considered a recreational vehicle.*

**NOW THEREFORE, BE IT RESOLVED** that the Board of Review shall follow the above stated polity and income guidelines in granting or denying an exemption.

The forgoing resolution offered by the Clyde Township Board Member Supervisor Masolena and supported by the Clyde Township Board Member Trustee Nevada.

**Record of Roll Call Votes by Name:**

Ayes- 7

Nays- 0

**Certification**

I, Kathleen Turner, Clerk of the Township of Clyde, St. Clair County, Michigan, do hereby certify that the forgoing is a true and correct copy of the whole of a Resolution adopted by the Township Board of Clyde Township at a regular meeting held

on: January 3, 2023

Kathleen Turner

Township Clerk